

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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FISCAL IMPACT STATEMENT

LS 6979

BILL NUMBER: HB 1428

NOTE PREPARED: Jan 10, 2011

BILL AMENDED:

SUBJECT: Tax Credit for Hiring Unemployed Persons.

FIRST AUTHOR: Rep. Ellspermann

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: ___GENERAL
DEDICATED
FEDERAL

IMPACT: Pending

Summary of Legislation: This bill provides a nonrefundable \$750 tax credit per employee to a taxpayer that hires an employee that has drawn unemployment funds in Indiana for at least the three previous months if the taxpayer employs the individual for at least 180 days during the taxable year. It provides that the credit is available only in years that the state unemployment rate is above 7.5 % sometime during that calendar year. It provides that the credit is reduced by any Economic Development for a Growing Economy (EDGE) tax credits attributable to the same employee, any Hoosier Business Investment (HBI) tax credits attributable to the same employee, or the amount of federal or state training grants used in the taxable year to train the employee. The bill also provides that the taxpayer may carry any excess credit over to not more than three subsequent taxable years.

Effective Date: July 1, 2011.

Explanation of State Expenditures: *As of the above date, the fiscal analysis of this bill has not been completed. Please contact the Office of Fiscal and Management Analysis for an update of this fiscal impact statement.*

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected:

Information Sources:

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